GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:4491
ANSWERED ON:25.04.2005
PROTECTION TO FARMER AGAINST UNSTABLE PRICES
Jogi Shri Ajit

Will the Minister of AGRICULTURE be pleased to state:

(a) the measures being taken by the Government to provide protection to the farmers against unstable prices of agricultural produces;

(b) whether the farmers are being fully protected through these measures;

(c) if not, the reasons therefor;

(d) whether the Government proposes to take concrete measures in this regard;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI KANTILAL BHURIA):

(a) to (f) The main objective policy for agricultural produce is to ensure remunerative prices to the growers for their produce. With a view to ensure remunerative prices to farmers for their produce, the Government announces each season Minimum Support Prices (MSPs) for major agricultural commodities and organizes purchase operations through public and cooperative agencies for procurement of commodities for which MSP has been announced. These agencies undertake procurement as and when market prices fall below MSP. The Government implements the Market Intervention Scheme (MIS) in respect of horticulture commodities which are not covered under the MSP scheme. In order to protect the growers of horticultural commodities from distress sales in the event of bumper crop, MIS is implemented for a particular commodity on the request of the State Government which is ready to bear 50% loss (25% in case of North-Eastern States), if any, in its implementation. Since poor marketing infrastructure has been a serious constraint which has prevented farmers from realizing their due share in the prices paid by the ultimate consumer, Government has identified marketing as a thrust area for focused and priority attention. The Union Budget for 2005-06 has underscored the importance of marketing and accordingly provided for the new scheme `Development/Strengthening of Agriculture Marketing Infrastructure, Grading and Standardization`.